

## Message Text

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41

ACTION ARA-17

INFO OCT-01 ADP-00 PM-09 L-03 CIAE-00 DODE-00 INR-09

NSAE-00 PA-03 RSC-01 USIA-12 PRS-01 AID-20 EB-11

COME-00 TRSE-00 EUR-25 NSC-10 IGA-02 OPIC-12 RSR-01

OMB-01 STR-08 XMB-07 CEA-02 /155 W  
----- 034301

R 261908 Z MAR 73

FM AMEMBASSY MONTEVIDEO

TO SECSTATE WASHDC 4081

INFO AMEMBASSY BUENOS AIRES

C O N F I D E N T I A L MONTEVIDEO 0916

E. O. 11652: GDS

TAGS: ENRG, EAID, BBAK, UY

SUBJECT: SALTO GRANDE

REF: MONTEVIDEO 602

BUENOS AIRES 2033

1. URUGUAYAN ASSOCIATES (ICLA) OF CHAS. T. MAIN, INC. ARE DISTURBED OVER CRITICAL ARTICLES APPEARING IN MONTEVIDEO NEWSPAPERS ON PROCEDURES FOLLOWED BY CTM IN CHOOSING TO NEGOTIATE WITH MAIN THE ENGINEERING CONTRACT FOR SALTO GRANDE. THEY BELIEVE ARTICLES PLANTED BY COMPETITORS ACRES AND HARZA. GIST OF STORIES IS THAT INTER- AMERICAN DEVELOPMENT BANK HAS CRITICIZED CTM PROCEDURES AND HAS ASKED CTM REPRESENTATIVES TO GO TO WASHINGTON TO DISCUSS SITUATION.

2. ICLA DIRECTOR SAID ELEMENT OF TRUTH IN ARTICLES BROUGHT ABOUT BY CANADIAN PRESSURE ON IDB. HE ALLEGED THAT CANADIAN COMMERCIAL COUNSELOR IN BUENOS AIRES HAD PRESENTED LETTER TO ARGENTINE CHAIRMAN OF CTM STATING THAT, IF ACRES REJECTION WAS NOT REVERSED, CANADA WOULD NOT PARTICIPATE IN SUPPLIER CREDITS. ALSO SAID HEAVY PRESSURE BEING EXERTED BY CANADIANS ON IDOCIN WASHINGTON. HE BELIEVED CAMPAIGN TACTICS WERE TO DELAY DECISION UNTIL NEW GOVERNMENT INSTALLED  
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IN ARGENTINA WHEN ELEMENTS FRIENDLY TO ACRES WOULD SEEK TO OBTAIN AWARD OF CONTRACT TO THAT FIRM.

3. DIRECTOR ASKED THAT USG APPLY COUNTER- PRESSURE ON IDB. HE WAS ADVISED THASUE. THE LINKAGE SEEMS PARTICULARLY MARGINAL WHEN THE VOTES AND THE DISCLAIMERS, IN THE BRITISH AND FRENCH CASE, WILL BE SUBMITTED ALMOST SIMULTANEOUSLY.

3. PLEASE REPORT THE RESULTS OF FURTHER TRIPARTITE DISCUSSION OF THIS MATTER, SO THAT THE DEPARTMENT MAY INSTRUCT

BERN AND GENEVA CONCERNING THE DELIVERY OF THE DISCLAIMER TEXTS. ROGERS

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\*\*\* Current Handling Restrictions \*\*\* n/a

\*\*\* Current Classification \*\*\* CONFIDENTIAL

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** n/a  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 26 MAR 1973  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** golinofr  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
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**Reference:** 73 MONTEVIDEO 602, 73 BUENOS AIRES 2033  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** golinofr  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 27 SEP 2001  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <27-Sep-2001 by rowellE0>; APPROVED <03-Dec-2001 by golinofr>  
**Review Markings:**

Declassified/Released  
US Department of State  
EO Systematic Review  
30 JUN 2005

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
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**Status:** <DBA CORRECTED> jms 971224  
**Subject:** SALTO GRANDE  
**TAGS:** BBAK, EAID, ENRG, UY  
**To:** ARA  
BUENOS AIRES  
SECSTATE WASHDC  
**Type:** TE  
**Markings:** Declassified/Released US Department of State EO Systematic Review 30 JUN 2005